

EXHIBIT C

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May 10, 2012

VIA E-MAIL

Jay V. Prabhu
Chief, Cybercrime Unit
Assistant United States Attorney
United States Attorney's Office, Eastern District of Virginia
Justin W. Williams United States Attorney's Building
2100 Jamieson Avenue
Alexandria, VA 22314

Re: *United States v. Kim Dotcom, et al.*, Criminal Case No. 1:12-cr-3

Dear Jay:

We are writing to determine whether the United States is agreeable to engaging in discussions concerning a proposed deal with Megaupload Limited ("Megaupload") whereby the Government would agree to unfreeze Megaupload's assets to fund its defense (via an unopposed *Farmer* motion) in return for which Megaupload would waive the service of summons requirement of Federal Rule of Criminal Procedure 4 and enter a not guilty plea. The amount of money made available to Megaupload is intertwined with whether Megaupload must, out of necessity, make procedural motions and the need to favorably resolve data preservation issues. If Megaupload and the Government are unable to come to an agreement concerning the release of funds for Megaupload's defense, we will have no choice but to seek relief.

In any event, there are numerous provisions of the Government's proposed server data preservation "agreement" that are draconian and ought to be modified via further negotiation.

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For example, Megaupload does not agree to:

- a *Brady* waiver;
- fully fund server data preservation with its own assets;
- permit server data preservation to end before all related case(s) and potential appeal(s) are terminated;
- have money that should be allocated to Megaupload's legal, technical, and e-discovery fees allocated instead to harnessing the data and analyzing phase II consumer access;
- have the servers stored stacked on the floor below the standard of care;
- have the servers stored in a manner in which they are not reasonably accessible to the Defendants; or
- be required to seek leave of the Court to access the servers.

We would appreciate the opportunity to confer with you about these and other issues. If you are amenable to such discussions, we propose scheduling a conference call at 11:00 am on Monday, May 14.

Very truly yours,


William A. Burck

Quinn, Emanuel, Urquhart & Sullivan LLP


Ira P. Rothken
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cc: Marc J. Zwillinger, counsel for Carpathia Hosting, Inc.
Julie P. Samuels, counsel for Kyle Goodwin
Paul M. Smith, counsel for the Motion Picture Association of America
W. Clifton Holmes, counsel for Valcom and Microhits